20 March 1953

Memorandum for Deputy Director/Plans

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Subject: Effect of Possible Elimination of on by MSA Funds.

Carried

1. As part of the over-all analysis of national security programs now in process, the Director for Mutual Security submitted to MSC on 16 March an analysis of the effect on his operations if total appropriations therefore were reduced to a level of \$5.5 billions in FY 195h and \$h billions in FY 1955. This analysis was noted by the Council and will be used, together with similar reports, as a basis for setting the over-all ceilings, probably about 10 April.

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2. Of probable direct operational concern to CIA is the impact The analysis postulates three possible divisions of the over-all total as between military and other uses. Under one of these, the would be completely eliminated. Under the second and third, appropristions would be reduced to such levels that DMB estimates that:

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"...the present program could be barely continued, there would not be any possibility of meeting any unexpected rise and the program could not be in the movement

expanded, as presently recommended, to cover high priority

groups presently outside the program -

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3. Is our direct or indirect stake in this program such that we should take an appropriate position in opposition to the proposed cute? If so, what arguments should be used, and have you any suggestions as to whether the matter should be discussed with MSA?

h. Could we have your views by Monday, 30 March, at the latest? 25X1A9a

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This is an angle of systematic reliew:

NSC Staff Assistant

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